



QUARTER

Newsletter of the PA Department of Banking and Securities

Looking Out,

For One Another



**Mansfield U. Students
Place 3rd Nationally**

**Tips to Protect Seniors
from Financial Abuse**

**COVID-19 Information
and Guidance**



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The department has an **online library** of publications and reports on a variety of financial topics.



ACTING SECRETARY

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Richard Vague

Looking Out For One Another

The phrase “a new normal” has become an accepted part of our lexicon these days. While it can be difficult to recall a time before physical distancing, face masks, and limiting indoor activities, it is important to remember how vital these mitigation efforts are to the long-term safety and well-being of individuals and businesses in Pennsylvania.

One of the simplest acts of kindness citizens of this commonwealth can engage in is to [wear a face mask](#). Masking up has been shown to significantly slow the transmission of COVID-19 and is a critical tool in the fight. This act of compassion protects our neighbors and communities. Along with other mitigation efforts, masking will help keep Pennsylvanians healthy and continue the commonwealth on the path of a measured, safe reopening.

Another way we can protect ourselves, in addition to our family and friends, is to remain vigilant against [financial scams](#) and [investment schemes](#). Scam artists are looking to take advantage of consumers who may be feeling emotionally and financially vulnerable. Remember: you can still check in on members of your community – particularly the seniors in your life – while being safe through the practice of social distancing and wearing a mask. Learn the warning

signs of senior financial exploitation and ways you can protect older Pennsylvanians in your life ([see page 3](#)).

Together we can move forward. Whether wearing a mask, safely supporting local businesses, or being a frontline hero as an essential worker, I am reminded of the resilience and fortitude of everyday Pennsylvanians in the face of what can feel like impossible circumstances.





Consumer Alert

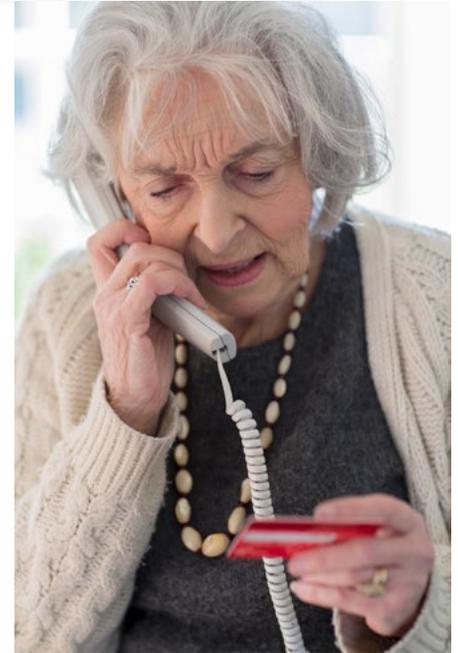
Tips to Protect Seniors from Financial Abuse

While [elder financial abuse](#) can happen at any time, perpetrators often strike during times in a senior's life when they may be more vulnerable, such as during a health crisis or after the death of a loved one. Scammers often gather personal details from obituaries and social media posts and use this information to target their victims. Some exploit trust within seniors' social and support groups to become more involved in their lives.

Social isolation is a leading factor contributing to the financial exploitation of older investors. Social distancing and other mitigation efforts have helped to reduce the spread of COVID-19, but provides more opportunities for scammers to take advantage of seniors. It's important for all of us to know the signs of elder financial abuse and what to do about it.

Warning signs of senior financial exploitation can be difficult to identify or recognize. Common signs to watch for include:

- A new and overly protective friend or caregiver or surrendering control of finances to a new friend or partner.
- Fear or sudden change in feelings about somebody.
- A lack of knowledge about financial status or reluctance to discuss financial matters.
- Sudden or unexplained changes in spending habits, a will, trust, or beneficiary designations.
- Unexplained checks made out to cash, unexplained loans, or unexplained disappearance of assets (cash, valuables, securities, etc.). Also watch for suspicious signatures on the senior's checks or other documents.



[Last year](#), DoBS presented to 1,554 financial professionals at 18 elder abuse prevention trainings. It is important that we continue to educate the public to help protect older Pennsylvanians from falling victim to a scam.

How You Can Help:

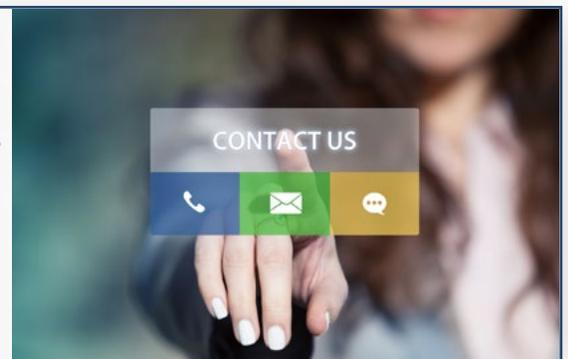
- **Contact** older family members, friends, and neighbors to let them know you are thinking of them. While in-person visits may not be possible yet, call or leave a note on their front door. If they have the technology, send them a text or email, or video chat.
- **Inform** older family members to know that fraudsters and [scammers have found ways to exploit the pandemic](#). Make them aware of the red flags of fraud, which remain consistent regardless of the fraud or scam.
- **Act!** DoBS asks anyone with suspicions of possible senior financial exploitation to report it by calling the 24-hour statewide abuse hotline at 1.800.490.8505. If you believe you have fallen victim to a scam, contact local law enforcement.

Learn more about [protecting seniors from financial abuse](#).

Contact DoBS...

Call **1.800.PA.BANKS** or 800.600.0007 or [online](#) to ask questions or file complaints about financial transactions, companies, or products.

If you believe you have fallen victim to a scam, contact local law enforcement through a non-emergency number.





Host a Senior\$afe Event to Prevent Financial Exploitation of the Elderly



Senior\$afe was created in partnership with the North American Securities Administrators Association (NASAA) in order to train financial professionals on recognizing the red flags of exploitation and give you guidance on how to report your concerns.

Senior\$afe

Protect your money and accounts from **scams, exploitation, and identity theft.**



Who can you contact for help?



Senior financial exploitation is a difficult issue to combat. Many in our older population are vulnerable due to social isolation and distance from family, caregivers, and other support networks, especially during this time of social distancing. Senior investors are often targets of financial fraud, scams, and exploitation; in part, because they own tangible assets including homes and pension streams that are attractive to scam artists. Unfortunately, even family members and other trusted caregivers or advisers bilk seniors out of their life savings.

Contact our Financial Services for Consumers and Business (FSCB) team today at informed@pa.gov to schedule a virtual Senior\$afe event in your area. This approach aims to increase identification and reporting of suspected cases of elder financial exploitation.

Learning Objectives:

1. Learn the vulnerability factors that make senior clients targets for financial fraud and exploitation and recognize the red flags of exploitation in clients.
2. Participants will be equipped with the tools to discuss concerns regarding financial exploitation with senior clients, as well as tools to address a situation in which a client is accompanied by or under the influence of a suspected exploitation perpetrator.
3. Find out recent state and federal legislation surrounding the protection of vulnerable adults from financial exploitation and understand reporting requirements.
4. Gain knowledge of where to report suspected exploitation, and the process undertaken by regulatory and law enforcement agencies once a report has been filed.

DoBS [programs](#) and [presentations](#) are **FREE** and non-commercial, schedule a virtual event today, informed@pa.gov!

#MaskUpPA

TOUGHER TOGETHER
Masks are everyone's duty



Upcoming Virtual Consumer Events

Working with the PA Department of Banking and Securities

[Virtual Presentation - PA Link to Aging and Disability Resources](#)

August 7: 8:30 AM to 9:30 AM

The Club at Juniper Village at Lebanon

[Join here](#) or [email](#)

August 20: 1:00 PM to 2:00 PM

Elderwood – Senior Living at Lancaster

[Registration](#) and [email](#)

[Virtual Chamber Connections – Pittsburgh North Chamber of Commerce](#)

August 28: 8:00 AM to 10:00 AM – [Register](#)

September 1: 11:30 AM to 1:30 PM – [Register](#)

September 10: 11:30 AM to 1:30 PM – [Register](#)

[Spending Plans - Budgeting Basics](#)

Cleve J. Fredricksen Library

August 17: 11:00 AM to 12:00 PM – [Register](#)

August 17: 6:00 PM to 7:00 PM – [Register](#)

“Safeguard Your Information”

[Bosler Memorial Library](#)

[Avoiding scams and Identity Theft](#)

August 19: 7:00 PM to 8:00 PM

[Register](#)

[Cybersecurity – Keeping Yourself Safe Online](#)

September 23: 7:00 PM to 8:00 PM

[Register](#)

[Fraud Bingo](#)

October 21: 7:00 PM to 8:00 PM

[Register](#)

Avoiding Scams and ID Theft

[Wayne Senior Center virtual presentation](#)

August 19: 1:00 PM to 2:00 PM -

[email registration](#)

Avoiding Scams and ID Theft and Cybersecurity

[Montco SAAC virtual presentation](#)

September 15: 11:30 AM to 12:30 PM –

[email registration](#)

Complete calendar of events [online](#)



Cyber Section

FBI: Increased Use of Banking Apps Could Lead to Exploitation

In June, the Federal Bureau of Investigation (FBI) warned that it anticipates increased activity by cyber criminals to exploit the increased use of mobile banking apps. Citing studies showing not only an increase in current use since the beginning of 2020 but also consumers planning to use mobile tools more, the FBI offered [tips to protect yourself](#) from these exploitation attempts, including app-based banking trojans and fake banking apps. The tips include:

- Obtaining apps from trusted sources
- Using two-factor authentication
- Strong password security
- Reporting suspicious apps

More details can be found in the FBI's [public service announcement](#).



DoBS COVID-19 Information and Guidance

While the physical locations for DoBS are currently closed, the department is maintaining operations through electronic communication. The department has developed online resources for financial institutions and consumers to access up-to-date information:

- [For Banking](#): Learn more about examinations, filings/applications, mailings, and useful link for financial institutions.
- [For Credit Union and Trust Supervision](#): Access credit unions information and resources, trusts information and resources, mailings, and filings and applications.
- [For Securities Licensing](#): Read more information for state registered investment advisors and additional business guidance.
- [For Non-Depository](#): Learn more about NAICS Classification, mailings, and non-depository general questions.
- [For Corporation Finance](#): Guidance for filings for securities offerings that must be filed with the Office of Corporation Finance.
- [For Consumers](#): Learn more about financial resources for Pennsylvania residents impacted by COVID-19 and to watch out for COVID-19 financial scams.

These [informational pages](#) are updated and maintained daily.

Know your financial options: As Pennsylvanians continue to heed the advice of public health experts to stay calm, stay home and stay safe, it is important to know your financial options. Pennsylvanians should take action now to [understand their financial situations and stay informed of what resources are available](#).



Mansfield University Students Place Third in National Competition

In June, [Secretary Vague congratulated students from Mansfield University of Pennsylvania](#) for placing third out of 37 college teams in the national 2020 Community Bank Case Study Competition.

The Mansfield team partnered with CN Bank in Wellsboro, Tioga County to prepare a case study focused on how community banks have been meeting the Bank Secrecy Act (BSA) requirements, understand the challenges smaller banks encounter in their efforts to comply with BSA requirements, and identify potential regulatory reforms. The case study is an opportunity for college students to work directly with senior bank management and better understand the value of community banking. Each student will receive a \$250 scholarship.

“The students from Mansfield University had a fantastic case study presentation and I’m pleased their research will be published, adding to the body of knowledge on this important issue,” said Vague. “On behalf of the department, we congratulate the students, their faculty advisor, and the bank for all of their hard work.”

The students will have their case study published in the annual CSBS Journal of Community Bank Case Studies, along with the overall winner and second place team.

Since 2017, DoBS has actively supported students and universities in the competition by:

- Informing colleges and faculty about the program;
- Helping identify bank partners for student teams; and
- Promoting and acknowledging successes of Pennsylvania teams.

For more information on the Community Bank Case Study Competition, visit csbs.org/bankcasestudy.

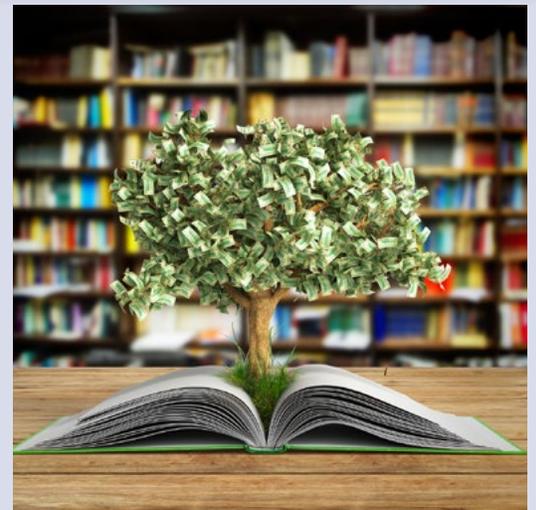


FDIC Recognizes First Commonwealth Bank of Indiana as One of Four Institutions for Expanding Financial Literacy

First Commonwealth Bank (FCB) of Indiana, Pennsylvania, was recognized by the FDIC as the Impactful Money Smart for Adults Partnership of the Year.

“FCB partnered with Goodwill of Southwestern Pennsylvania in Pittsburgh to provide financial education for participants in the Goodwill’s Community Reintegration program. This program provides nonviolent offenders the opportunity to serve a portion of their sentence in a community setting, instead of jail. This allows program participants to resume their careers and return to the workforce, while getting help reintegrating into the community. Through its partnership with Goodwill, FCB had taught 22 financial education sessions to more than 220 participants as of December 2019. Encouraged by this success, FCB has now also partnered with the Lawrence County Community Action Program in New Castle, Pennsylvania, to help low- and moderate-income consumers.”

Read the full FDIC press release: [FDIC Recognizes Four Institutions for Expanding Financial Literacy](#).





Expanded Online Filing Options for Businesses Raising Capital Through Securities



Businesses that offer securities for sale to Pennsylvania investors or that are looking to start, now have more online filing options. The North American Securities Administrators Association's (NASAA) Electronic Filing Depository (EFD) System has been expanded to accommodate the electronic filing of a greater range of corporation finance materials.

Businesses have several options when trying to raise capital to start, maintain, or expand their ventures, including raising money by selling shares to investors through the offering of securities. In Pennsylvania, all securities offered for sale must either be registered or granted exemptions.

These expanded filing options are even more important in light of the spread of COVID-19 when many businesses are relying more on remote working arrangements. Many filings previously required paper submission.

The new EFD functionality, referred to as "Universal Filing Type," allows filers to submit electronic filings to DoBS for a variety of corporation finance offerings not previously available through the system, as well as to pay associated fees. These offerings include registrations by coordination and qualification, Regulation A (Tier 1 and Tier 2) and crowdfunding.

Developed by NASAA, the EFD System was launched in 2014 and used to facilitate the filing of Form D for regulation D, Rule 506 offerings with state securities regulators and to pay related fees. It was expanded last year to accommodate Form NF-UIT notice filings for unit investment trusts (UITs) with DoBS.

The [EFD website](#) also allows the public to search and view Reg. D Rule 506 and Form NF-UIT filings.

Business owners seeking to offer securities for sale to Pennsylvania investors can contact our [Office of Corporation Finance](#) at 717.787.8059.

Compliance Corner

2nd Quarter 2020 Enforcement Orders



The department protects consumers through the following laws:

- Check Casher Licensing Act
- Consumer Credit Code
- Consumer Discount Company Act
- Credit Services Act
- Debt Management Services Act
- Debt Settlement Services Act
- Loan Interest and Protection Law
- Money Transmitter Act
- Mortgage Licensing Act
- Pawnbrokers Licensing Act
- Pennsylvania Securities Act of 1972

The Department of Banking and Securities issued nine enforcement orders during the second quarter of 2020 from April to June 2020. Fines and assessments for these orders totaled **\$390,250** with an additional **\$326,704** in restitution to be paid to Pennsylvania consumers. To see details on these enforcements, go to dobs.pa.gov/enforcement.



PA's Commitment to Small Diverse Businesses



The commonwealth is committed to implementing policies and programs to improve the quality and quantity of opportunities available for small and small diverse businesses (SB/SDB). As a result of a 2018 Commonwealth Disparity Study, the Department of General Services has set an aspirational target for 26.3% of the commonwealth's contracting spend to go to SDBs. The new SDB goal setting program – the scoring process used for subcontracting participation on competitively procured state contraction opportunities – have a phased implementation. Construction projects over the designated threshold started June 15, 2020 and goods and services over the designated threshold will be starting August 17, 2020.

Interested in learning more about the commonwealth's Small Diverse Business Program? Visit the [Bureau of Diversity, Inclusion, and Small Business Opportunity's website](#) to learn more.

FAQ Available on Governor's Executive Order Pertaining to Evictions and Foreclosures

Earlier this month, Governor Wolf signed a new [executive order](#) protecting homeowners and renters from eviction or foreclosure until August 31, 2020. An [FAQ pertaining to the executive order](#) related to evictions and foreclosures is available for anyone with questions.



PENNSYLVANIA COVID-19 DATA

For the latest guidance and resources for Pennsylvanians, visit the commonwealth's [Responding to COVID-19 guide](#) or the Pennsylvania Department of Health's [dedicated coronavirus webpage](#) for the most up-to-date information regarding COVID-19.

Tips About Your Finances and Your Credit

- ★ Contact your creditor if are unable to pay your credit card bill by using the phone number on the back of your card.
- ★ Explain how your financial situation has been affected by the pandemic.
- ★ Remember to check your credit report to check the status of your accounts.
 - 35% of your credit score is based on payment history
 - 30% of your credit score is amount of debt so pay it down

For more information on credit reports, dobs.pa.gov/COVID19info